

STATE OF NEBRASKA

DEPARTMENT OF INSURANCE

L. Tim Wagner

Director



Dave Heineman
Governor

July 15, 2005

CB-108

BULLETIN

SUBJECT: NEBRASKA HEALTH CARE PROMPT PAYMENT ACT

The 2005 session of the Nebraska Legislature passed LB 389, the Health Care Prompt Payment Act, codified at Neb.Rev.Stat. §§44-8001 through 44-8010, setting standards for the prompt payment of claims to health care providers by insurers. Under the act, insurers must pay interest on clean claims that are not paid within the time limits set forth under the law, unless the insurer has filed a valid "prompt payment act compliance statement" with the Nebraska Department of Insurance by December 1st of each year.

Insurers, which choose to file a prompt payment compliance statement, are advised that in the event of an investigation of insurer claims settlement practices, either as part of a formal market conduct examination, or as part of an investigation conducted pursuant to the act, the Department will look to verify the prompt payment act compliance statement is valid.

Several insurers have asked the Department for guidance about the nature and contents of the prompt payment act compliance statement. The purpose of this Bulletin is to respond to that request, by providing an example statement that will comply with the requirements of the Act. The statement set forth in this bulletin is an example of a valid prompt payment act compliance statement. The example is a non-exclusive illustration that insurers may follow to file a valid prompt payment act compliance statement.

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PROMPT PAYMENT ACT COMPLIANCE STATEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

I, on behalf of _____, hereby certify the following:

- (1) During the twenty-four-month period ending June 30, _____ the insurer paid, denied, or settled more than ninety percent of its clean claims within the time periods set forth in subsections (1) and (2) of Neb.Rev.Stat. §44-8004;
- (2) The insurer set forth above has designated me as the person to execute this statement on its behalf.

Dated this _____ day of _____, 20_____.

Subscribed and sworn to before me this _____ day of _____, 20_____.

Notary Public